

16 December 2019

Our Ref: FOI6916

Freedom of Information: Right to know request

We refer to your request under the Freedom of Information Act 2000 ("the Act"), dated 20 November 2019, for information relating to a breakdown of the value of income drawdowns and the total number of income drawdowns by people aged 55. Please refer to Annex A for full details of your request.

Before answering your request, please note that an Income drawdown/Income withdrawal is defined in the retail investments PSD glossary as an income:

- a. As defined in paragraph 7 of Schedule 28 to the Finance Act 2004) in relation to a member of a pension scheme, amounts (other than an annuity) which the member is entitled to be paid from the member's drawdown pension fund (as defined in paragraph 8 of that Schedule) in respect of an arrangement; or
- b. payments made under interim arrangements in accordance with section 28A of the Pension Schemes Act 1993; in respect of an election to make income withdrawals, a reference to a retail client, an investor or a policyholder includes, after that person's death, his surviving spouse, his surviving civil partner or anyone who is, at that time, his dependant, or both.

This includes transfer plans that allow income from a pension plan before an annuity is purchased.

The relevant information can be found below:

Year	Quarter	Number of Sales	Total Premium Amount
2016	Q3	4,176	392,918,499
	Q4	4,373	412,642,337
2017	Q1	5,262	573,450,963
	Q2	5,466	597,214,040
	Q3	6,315	690,691,947
	Q4	6,948	769,732,180
2018	Q1	6,364	645,480,361
	Q2	7,640	791,107,846
	Q3	7,748	766,826,725
	Q4	7,040	642,821,700
2019	Q1	7,317	638,353,124

	Q2	7,519	679,990,517
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In regard to the data, we would like to bring the following caveats to your attention.

- The retail investments PSD does not include all data on transactions made through nominee accounts (such as those used in platforms). This means that there may be other income drawdown sales not captured as part of PSD.
- PSD only captures new sales: transfers, top-ups, alterations, increments and renewals are generally not included.
- The value data ('Total Premium Amount') in PSD should be used with caution as it is not always reliable due to the way it is reported. The regular premiums are annualised, i.e. the monthly premium is multiplied by 12, and this is not always accurate. The annualised premium amount is indicative of the actual initial investment/drawdown made by the customer, and we recognise that the reported premium is not the exact premium amount invested/withdrawn.
- The customer date of birth is an optional field, so not all firms submit this information. Therefore, the data we have provided represents income drawdowns accessed by people aged 55 where the firm has submitted the date of birth.

If you are unhappy with this response, you have the right to request an internal review. If you wish to exercise this right you should contact us within 40 working days of the date of this response.

If you are not content with the outcome of the internal review, you also have a right of appeal to the Information Commissioner at Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF. Telephone: 01625 545 700. Website: www.ico.org.uk

Yours sincerely

Information Disclosure Team

Annex A

'Thank you for your response to the below FOI (your ref: FOI6744). The information you supplied to us was very helpful.

Under the Freedom of Information Act and in regards to your response, I would also like to know:

- *A breakdown of the value of income drawdowns and the total number of income drawdowns by people aged 55*

Please could I have the data broken down by the following quarters:

- *2016 Q3*
- *2016 Q4*
- *2017 Q1*
- *2017 Q2*

- 2017 Q3
- 2017 Q4
- 2018 Q1
- 2018 Q2
- 2018 Q3
- 2018 Q4
- 2019 Q1
- 2019 Q2'